

INTRODUCTION

During the 1990's, Utah experienced strong growth and housing prices rose rapidly, while incomes remained relatively stable. Consequently, housing became more expensive for those households that did not already own property. In 1996, House Bill 295 directed each Municipality in the State to adopt a plan for moderate income housing. In defining the purpose of the bill, the legislature stated “municipalities should afford a reasonable opportunity for a variety of housing, including moderate income housing, to meet the needs of people desiring to live there; and moderate income housing should be encouraged to allow persons with moderate incomes to benefit from and to fully participate in all aspects of neighborhood and community life.”

As required by State Law, this Plan addresses the following topics:

- an estimate of the need for the development of additional moderate income housing within the City;
- a plan to provide a realistic opportunity to meet estimated needs for additional moderate income housing if long-term projections for land use and development occur; and

In addition to the required topics, this Plan provides a section entitled “Current State of the City” including information on housing prices, City demographics, building permit trends, available land, zoning, and the City’s Housing Authority.

Definitions

Moderate income housing is currently defined in Utah Code 10-9a-103(21) as “housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the city is located.” West Valley City is located in Salt Lake County.

From the Website of the U.S. Department of Housing and Urban Development (HUD), “The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing.”

According to the Census Bureau, 2006 median household income for Salt Lake County was \$52,879. Using income information from the 2007 Economic Report to the Governor, staff estimates 2007 median household income for Salt Lake County to be \$54,571 (3.2% increase). Hence, moderate income housing in Salt Lake County during the year 2007 is defined as those housing units that were affordable to families that earn \$43,657 (80%) or less annually. Using 30% as the percentage of income available for housing, a 2007 moderate income household could have spent up to \$13,097 annually or \$1,091 monthly.

CURRENT STATE OF THE CITY

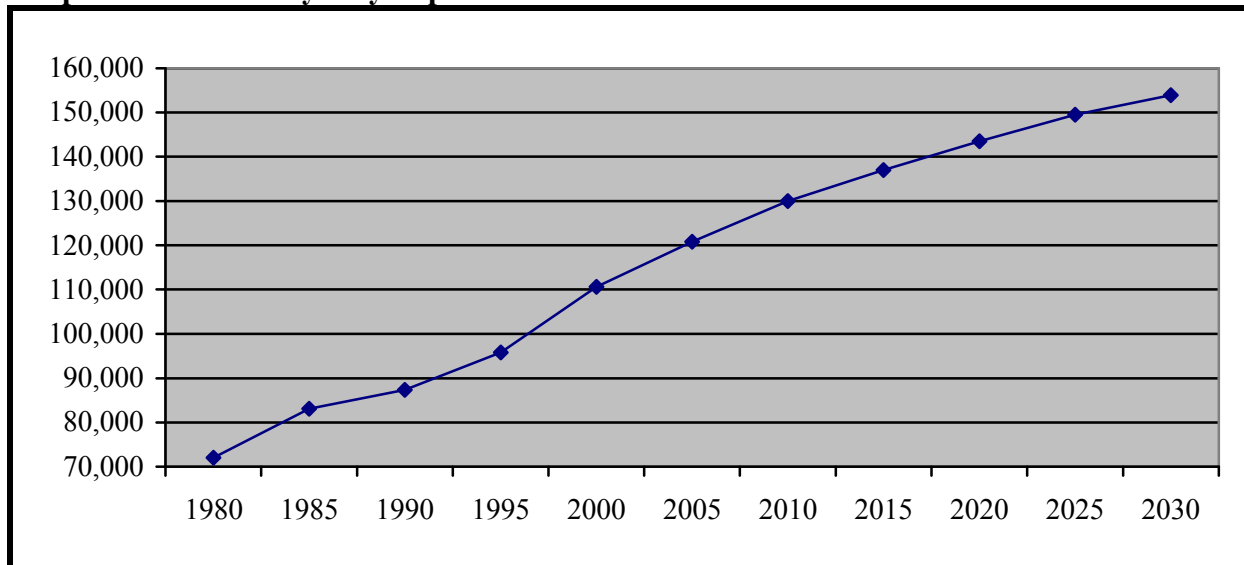
Since the incorporation of West Valley City in 1980, the City has experienced steady growth, while becoming more ethnically diverse. Incomes in West Valley are lower than many surrounding communities and housing is more affordable. Currently a majority of the housing

stock is in single family detached homes, while the multi-family housing is a combination of duplexes, four-plexes, townhomes, condos and large apartment complexes. Unfortunately, many of the rental units have not been well maintained, creating a negative perception about multi-family housing.

The following statistics create a picture of the current conditions in the City.

Population

Graph 1 – West Valley City Population Growth



Source: West Valley City Planning & Zoning and Wasatch Front Regional Council

The Wasatch Front Regional Council projects the 2030 City population to be 153,890. This projection seems reasonable in that City staff has estimated the City's buildout population to be just under 160,000.

Not only is the City growing, it is becoming more diverse (Table 1). The non-white population has gone from 9.2% of the population in 1990 to 28.9% in 2006. West Valley City also experienced a significant increase in the number of Hispanic persons between 1990 and 2006. Although Salt Lake County became more diverse during this same time period, the increase in the percent of non-white and Hispanic persons was not as great as that of West Valley's.

Table 1 – 1990, 2000 and 2006 Race for West Valley City and Salt Lake County

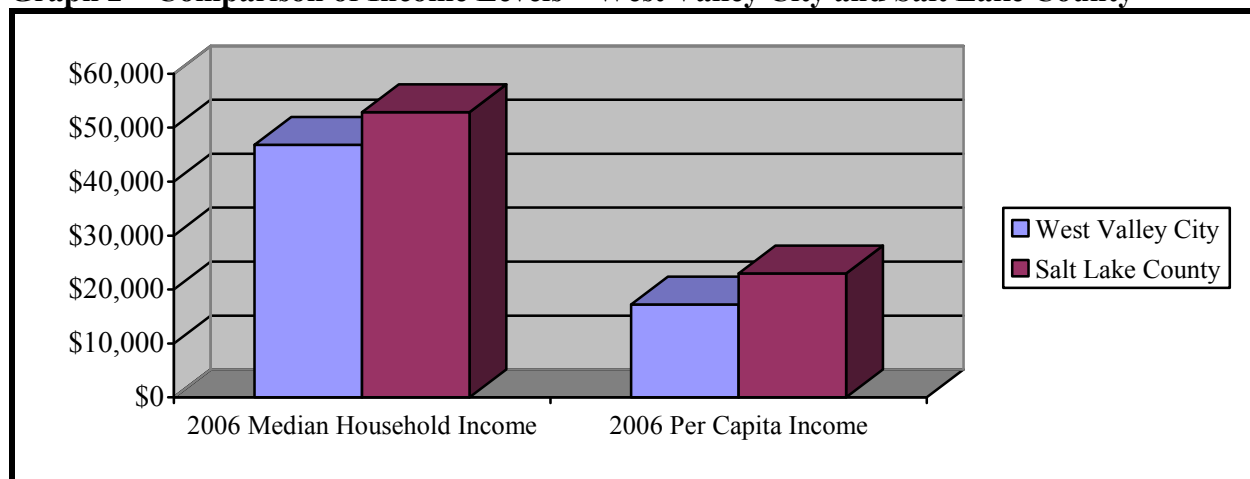
	White	African American	American Indian	Asian or Pacific Islander	Other race(s)	Hispanic (of any race)
West Valley City- 1990	90.8%	0.8%	1.1%	4.0%	3.2%	7.1%
Salt Lake County- 1990	93.0%	0.8%	0.8%	2.8%	2.6%	6.0%
West Valley City- 2000	78.2%	1.1%	1.2%	7.2%	12.2%	18.5%
Salt Lake County- 2000	86.3%	1.1%	0.9%	3.8%	8.0%	11.9%
West Valley City- 2006	76.5%	0.6%	2.7%	8.9%	11.3%	26.6%
Salt Lake County- 2006	84.7%	1.3%	0.8%	4.3%	8.9%	15.3%

Source: U.S. Census Bureau

Household size in West Valley in 1990 was 3.35 persons/household, compared to 2.98 for Salt Lake County. In 2006, both West Valley and Salt Lake County's household sizes have remained nearly the same at 3.37 and 2.98 respectively.

Income

Another factor affecting housing affordability is income. U.S. Census numbers indicate that incomes in West Valley City are lower than those in Salt Lake County.

Graph 2 – Comparison of Income Levels – West Valley City and Salt Lake County

Source: U.S. Census Bureau

Tenure

In 2000 and 2006, most residents of both West Valley and Salt Lake County owned rather than rented. As the Table 2 shows, ownership rates in the City are slightly higher than those of the County.

Table 2 – 2000 and 2006 Tenure for West Valley City and Salt Lake County

	2000		2006	
	West Valley	SL County	West Valley	SL County
Owner-occupied units	72.6%	69.0%	71.3%	70.4%
Renter-occupied units	27.4%	31.0%	28.7%	29.6%

Source: U.S. Census Bureau

Building Trends

Although West Valley contains mostly single family homes, there is a good representation of other housing types. While the majority of new housing is also single family, there are spurts of growth in the other housing types as well. Multi-family or attached housing has ranged between about 25% to 35% of all new housing units each year since 2004.

Table 3: West Valley City Residential Building Permit Activity

	Up to 2003	2004	2005	2006	2007	Total	% of Total
Single Family	24,475	351	370	488	231	25,915	67.4%
Duplex	1,400	0	0	0	10	1,406	3.7%
Multi-Family	7,983	150	133	221	132	8,619	22.4%
Mobile Home	2,446	23	9	1	1	2,480	6.5%
Total	36,304	524	512	710	374	38,424	
Source: West Valley City Building Inspections Division							

Available Land

As of April 2007, City staff estimates that there are just over 1,000 acres of vacant or agricultural land planned for residential use. Assuming the density of future development is similar to current development, buildout population in West Valley City would be just under 160,000.

Existing Zoning Acreage

The following table outlines changes in the number of acres of land within each residential zone of West Valley for the years 2004 and 2007.

Table 9: Survey of Existing Residential Zoning in West Valley

Zone	Zone Description	Min. Lot Size	2004 # of Acres	% of 2004 Total Acres	2007 # of Acres	% of 2007 Total Acres
A-1	Agriculture	1 acre	551	5.53%	414	4.10%
A	Agriculture	1/2 acre	1,933	19.38%	1,732	17.14%
R-1-20	Single Family	20,000 sq. ft.	3	0.03%	3	0.03%
R-1-12	Single Family	12,000 sq. ft.	45	0.45%	41	0.41%
R-1-10	Single Family	10,000 sq. ft.	835	8.37%	1,057	10.46%
R-1-8	Single Family	8,000 sq. ft.	4,287	42.98%	4,388	43.43%
R-1-7	Single Family	7,000 sq. ft.	494	4.95%	571	5.65%
R-1-6	Single Family	6,000 sq. ft.	723	7.25%	722	7.14%
R-1-4	Single Family	4,000 sq. ft.	89	0.90%	71	0.70%
R-2-8	Duplex	8,000 sq. ft.	146	1.46%	141	1.40%
R-2-6.5	Duplex	6,500 sq. ft.	45	0.46%	45	0.45%
R-4	Four-plex	9,000 sq. ft.	61	0.61%	50	0.50%
RMH	Mobile Home Park	5 acres	285	2.86%	333	3.30%

RM	Multi-Family	8,000 sq. ft.	477	4.78%	535	5.29%
Total	-	-	9,976		10,104	
Source: West Valley City Planning and Zoning Division						

As seen in Table 9 above, West Valley City offers a variety of residential zones. One or more of these zones allow single family homes, mobile homes, duplexes, four-plexes, townhomes, condos and apartments. Specifically for single family, the City has a variety of lot sizes including smaller lots that help to offset the high price of land. West Valley's residential zoning variety has, in part, led to the City's affordability.

West Valley City also allows planned unit developments (PUD's) in all residential zones as a conditional use. PUD's allow project density to be increased in exchange for project amenities such as open space. The City also has two zones, City Center (CC) with 37 acres and Mixed Use (MXD) with 15 acres, that allow for a combination of medium to high density residential, retail and office uses.

West Valley Housing Authority

The West Valley Housing Authority administers the Section 8 program of Vouchers. This program helps low income households afford market rate housing by assisting with rent payments. 75% of the Section 8 tenants must be at or below 30% MSA, with the other 25% at or below 80% MSA. Currently the West Valley Housing Authority has 513 people receiving Section 8 vouchers, and a waiting list of around 1,300 persons. People applying can expect to be on the list for 3 to 5 years before they are issued a voucher. This program is very effective in allowing our lowest income residents access to affordable housing, but it is not keeping up with the demand.

The Housing Authority also owns and manages 21 single family homes or duplexes and 38 apartment units that were purchased in 2008 that are supplying housing for low income residents.

The City's Housing Authority also works with public and private developers to create new affordable housing using tax credits and HOME funds. The Housing Authority also has several programs to help maintain the existing supply of low income housing. These programs include mobile home rehabilitation, emergency repair and minor maintenance for owner-occupied units, and the home rehabilitation loan for owner-occupied units.

NEED FOR MODERATE INCOME HOUSING

To determine the need for additional moderate income housing, an understanding of the existing supply of moderate income housing is needed. The existing supply of moderate income housing is composed of the number of housing units within West Valley City and the price range of these units. The Census Bureau provides information on the number and value/rent of owner-occupied and renter-occupied units for 2005. Census data from 2006 did not provide the same level of detail as the 2005 data. The 2005 information is shown in the tables below.

Table 4: Number of Owner-Occupied Units by Value in West Valley City for 2005

Value	Number of Units
Less than \$10,000	168
\$10,000 to \$14,999	271
\$15,000 to \$19,999	133
\$20,000 to \$24,999	95
\$25,000 to \$29,999	125
\$30,000 to \$34,999	307
\$35,000 to \$39,999	41
\$40,000 to \$49,999	164
\$50,000 to \$59,999	151
\$60,000 to \$69,999	150
\$70,000 to \$79,999	96
\$80,000 to \$89,999	223
\$90,000 to \$99,999	609
\$100,000 to \$124,999	3,846
\$125,000 to \$149,999	8,319
\$150,000 to \$174,999	4,846
\$175,000 to \$199,999	2,298
\$200,000 to \$249,999	1,646
\$250,000 to \$299,999	160
\$300,000 to \$399,999	218
\$400,000 to \$499,999	131
\$500,000 to \$749,999	0
\$750,000 to \$999,999	0
\$1,000,000 or more	0
Total Owner-Occupied Units	23,997
Source: U.S. Census Bureau	

Table 5: Number of Renter-Occupied Units by Rent in West Valley City for 2005

Value	Number of Units
Less than \$100	0
\$100 to \$149	67
\$150 to \$199	42
\$200 to \$249	154
\$250 to \$299	145
\$300 to \$349	282
\$350 to \$399	0
\$400 to \$449	0
\$450 to \$499	574
\$500 to \$549	1,166
\$550 to \$599	1,256
\$600 to \$649	1,188
\$650 to \$699	1,138
\$700 to \$749	1,736
\$750 to \$799	845
\$800 to \$899	780
\$900 to \$999	455
\$1,000 to \$1,249	1,235
\$1,250 to \$1,499	540
\$1,500 to \$1,999	0
\$2,000 or more	0
Total Renter-Occupied Units*	11,603
*Excludes no cash rent units	
Source: U.S. Census Bureau	

Utah Code 10-9a-403(2)(b)(i) states: “cities should facilitate a reasonable opportunity for a variety of housing, including moderate income housing.” Although the term “reasonable opportunity” is not defined in the Utah Code, for the purposes of this Plan, a reasonable opportunity means that a municipality’s housing prices should reflect the purchasing ability of all income levels within Salt Lake County. In other words, for a community to provide a reasonable opportunity, the percentage of housing units in the community which are affordable to moderate income households should be close to the percentage of households within Salt Lake County that are moderate income households. Table 6 below shows household income by income bracket for Salt Lake County.

Salt Lake County income levels are used as a means of assessing West Valley City housing affordability for three reasons. First, the State definition of moderate income housing is based on the median gross income “in the County in which the City is located.” Second, comparing Salt Lake County income levels (or purchasing ability) instead of Salt Lake County housing prices to West Valley housing prices is a more reasonable means of comparison because Salt Lake County

housing prices may not be balanced with the purchasing ability of Salt Lake County residents. Third, if local income levels were used to assess a community's affordability, the results would perpetuate the housing situation, good or bad, within the community. For example, using income levels from a predominantly high-end housing community to determine housing affordability within the same community would indicate that little or no affordable housing is needed since most persons living within such a high-end housing community would by necessity earn more than 80% of the median income to be able to purchase a home. Conversely, low income communities would have inordinately high demands.

Table 6: 2006 Household Income for Salt Lake County

Income	Number of Households
Less than \$10,000	18,740
\$10,000 to \$14,999	12,848
\$15,000 to \$19,999	15,566
\$20,000 to \$24,999	15,842
\$25,000 to \$29,999	16,869
\$30,000 to \$34,999	17,608
\$35,000 to \$39,999	20,158
\$40,000 to \$44,999	17,961
\$45,000 to \$49,999	15,715
\$50,000 to \$59,999	30,199
\$60,000 to \$74,999	41,028
\$75,000 to \$99,999	41,681
\$100,000 to \$124,999	25,627
\$125,000 to \$149,999	12,408
\$150,000 to \$199,999	12,187
\$200,000 or more	9,390
Total Households	323,827
Median Household Income	\$52,879
Source: U.S. Census Bureau	

Utilizing Tables 4 – 6, Table 7 was created to show how West Valley's house prices and rents compare with Salt Lake County income levels. House prices, rents, and incomes were adjusted to end of year 2007 based on information from the Wasatch Front Multiple Listing Service for homes, an apartment sales and research firm Hendricks and Partners for rents, and the 2007 Economic Report to the Governor for income. The income categories of 50% (low income) and 30% (very low income) of the median are included because the State definition of moderate income housing includes housing affordable to households with an income "equal to or **less** than 80% of the median gross income."

Table 7: Comparison of West Valley Housing Costs with Salt Lake County Income Levels

	Monthly Income for Housing*	Affordable House Price**	% of Renter- Occupied WVC Units	% of Owner- Occupied WVC Units	% of Salt Lake County Households in Income Bracket
Median Household Income	\$1,364	\$196,000	93.2%	56.9%	49.4%
80% of Median	\$1091	\$156,000	84.0%	21.8%	38.8%
50% of Median	\$682	\$98,000	29.7%	6.8%	19.8%
30% of Median	\$409	\$59,000	5.9%	5.0%	10.0%
* Assumes 30% of income is available for housing					
** Assumes 6% interest rate, 30 year mortgage and includes taxes and insurance					

The first column of Table 7 lists the four income levels used to assess housing affordability. The second column lists the amount of money a household within the given income levels could spend on housing each month. The third column shows the maximum amount a household could pay for a home in each of the income levels. The fourth column shows the percentage of West Valley City renter-occupied units that would be affordable to persons in each of the four income levels. The fifth column lists the percentage of West Valley City owner-occupied units that would be affordable to persons in each of the four income levels. Finally, the last column shows the percentage of Salt Lake County households that earn no more than the specified incomes.

The first column in Table 8 below lists once again the four income levels used to assess housing affordability. The second column shows the number of existing West Valley City housing units (both renter and owner-occupied) that are affordable to households in each of the four income levels. The third column provides the percentage of all West Valley City housing units that are affordable to households in each of the four income levels. The fourth column shows, as in Table 7, the percentage of Salt Lake County households that earn no more than the specified incomes. The final column is the result of multiplying the total number of West Valley City housing units by the percentage in column four. In other words, this column shows how many housing units West Valley City would need at the end of 2007 to provide a housing price range that reflects the purchasing power of households in Salt Lake County.

Table 8: West Valley City Moderate Income Housing Need

	Number of Existing Affordable WVC Housing Units	Percent of Total WVC Units	% of Salt Lake County Households	Housing Need
Median Household Income	24,444	93.5%	49.8%	17,729
80% of Median	14,953	45.0%	38.2%	13,599
50% of Median	5,032	15.2%	16.8%	5,981
30% of Median	1,896	5.7%	9.8%	3,489

When comparing the number of affordable housing units in West Valley (column 2) with the need for affordable units (column 5) it is clear that West Valley City has more than a sufficient number of affordable housing for persons earning 80% or more of the median income. Households earning 50% or more than of the median income are still able to find a reasonable amount of housing within the City. The City is deficient in housing for households earning 30% or less of the median income. As detailed below, West Valley City is making a concerted effort to accommodate those households earning 30% or less of the median income.

ISSUES/GOALS/ACTIONS

Issue: supply of very low income housing

Our analysis shows that West Valley City has more than its fair share of affordable housing for moderate income households - those at 80% of the median household income for Salt Lake County. Households earning 50% of median household income are still able to find a reasonable amount of housing within the City. However, households earning 30% or below the County median income are less able to find housing that is affordable. Since that is where the numbers show the need, that is where the City will focus its efforts.

Before listing specific actions, the reader should understand the City's limited ability to influence the construction of very low income housing. The City is not a developer. Zoning alone cannot create very low income housing. Such housing must be subsidized because, even with density increases, a developer cannot build housing and rent or sell it at a profit to those persons earning 30% or below the County median income.

- **Goal:** Facilitate the construction of new housing in the City that is affordable for households with incomes at 30% or below Salt Lake County's median household income
 - **Action:** continue to work with non-profits
 - **Action:** work with local banks and corporations to help identify the best way to use the Community Reinvestment Act funds
 - **Action:** encourage improved design standards to make such housing more acceptable to neighbors
 - **Action:** continue to promote the City's Good Landlord Program to improve housing maintenance and management to make such housing more compatible with neighboring properties

Issue: access to housing information

Housing programs to assist very low to moderate income residents are of little use if the intended recipients are not aware they exist. The City needs to assure that this information is readily available to all residents. The City will create lists of the current housing options for low income residents and people with special needs. These will be available at the West Valley Housing Authority offices and will be updated annually.

- **Goal:** Accessible information on housing programs
 - **Action:** create and maintain a list of affordable and special needs housing
 - **Action:** continue to offer a list of housing programs
 - **Action:** have all information available in Spanish and other languages as needed

Issue: maintenance of very low to moderate income housing

This report has shown that West Valley City has a sizable percentage of very low to moderate income housing. With so many units qualifying as very low to moderate income housing, the City is concerned about the long term maintenance of neighborhoods as well as the possible loss of such housing. Currently the Housing Authority offers maintenance and repair funds for existing housing. Other steps should be taken to ensure that existing very low to moderate income housing within the City does not become dilapidated due to a lack of maintenance.

- **Goal:** The maintenance of existing very low to moderate income housing
 - **Action:** continue to offer the following programs: mobile home rehabilitation, emergency repair and minor maintenance for owner-occupied units, and the home rehabilitation loan for owner-occupied units
 - **Action:** consider ordinance revisions to strengthen City's ability to enforce maintenance related issues